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ABSTRACT

This report discusses the impact of the New England Regional Commission (NERCOM) funds allocated by the New England Program in Teacher Education (NEPTE) on local programs where experimental approaches were designed to improve existing teacher education practices. Specifically, this report addresses the costs associated with various activities that make up a project cycle and lead to outputs by funded projects in terms of products and/or personnel resources (either used to do training or to serve as resources for other projects). The report discusses six staff Development Cooperatives funded by NEPTE from 1971-1974. It represents a first level analysis of the effect of dollars investment and utilization in the cooperatives. The dollars given to each cooperative are the project inputs. Two general categories--organizational, and training and product development--are used to discuss costs associated with a given project activity. What was produced by each cooperative represents the output of the project cycle. Outputs in this report may be either exportable products or personnel resources that were used or developed as a consequence of project operations. (RC)

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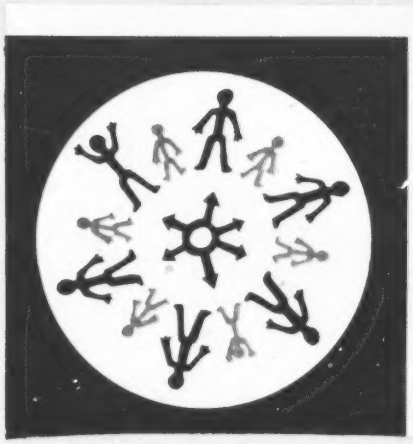

RETROSPECTIVE FISCAL ANALYSIS

OF

NEPTE SUPPORTED DEVELOPMENT PROJECTS

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Retrospective Fiscal Analysis of NEPTE Supported

Development Projects

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Roland Goddu and John Pitman

This report discusses the impact of the New England Regional Commission (NERCOM) funds allocated by the New England Program in Teacher Education (NEPTE) to local programs where stimulating and supporting experimental approaches were designed to improve existing teacher education practices. Specifically, this report will address the costs associated with various activities that make up a project cycle and lead to outputs by funded projects in terms of products and/or personnel resources utilized (either used to do training or personnel trained by project activities who might serve as resources for other projects).

This report deals with the six (6) Staff Development Cooperatives funded by NEPTE from 1971 to 1974.

The Staff Development Cooperatives were created to examine the potential for a new form of school based training programs for education personnel with collaborative decision making arrangements between schools and training institutions. Each cooperative had an original intent developed a focus and organizational style.

	Intent	Focus	Style
Connecticut	model replication in urban education	bilingual (Spanish)	research and development group
Rhode Island	development of program and modules	Performance Based Education	Product Development
Interstate (MA)	Installation of Innovation	Integrated Day elementary	university trainers
Maine	teacher control	Individualized Instruction	teacher controlled

	Intent	Focus	Style
New Hampshire	revised university program	In-service Education	Consensus building
Vermont	radical change in under graduate teacher education	Rural education	decentralized

Each cooperative developed a unique history based on the people who made them up and the agendas they had for themselves, their institutions and for teacher education.

This paper represents a first level analysis of the effect of dollars investment and utilization in the cooperatives. It is hoped that the analytical model and its application to a concrete experiment in teacher training could help others with similar goals of utilization of shared funds for training. The dollars given to each cooperative are the project inputs. Most of this money came from NEPTE initially. As they developed, some of the cooperatives were able to augment their inputs with other sources. It was hoped by NEPTE that all six cooperatives would be able to gradually become self-sustaining. How dollars were spent by each cooperative represents the activity portion of a given project cycle. Two general categories (a) organizational and, (b) training and product development -- are used to discuss costs associated with a given project activity. What was produced by each cooperative represents the output of the project cycle. Outputs in this report may be either exportable products or personnel resources that were used or who were developed as a consequence of project operation.

The following diagram illustrates the Input-Output Cost Analysis Model.

Diagram One
Input-Output Cost Analysis Model

Input

DOLLARS →

ALLOCATION	ACTIVITY	OUTPUT
Personnel Resources	Project Operation	Organizational Capacity
Material Resources	Training and Product Development	Training Program Processes
		Publications and Other Products
Planning	Operations	Results

The above diagram shows that inputs are provided to a given project in the form of dollars which are translated into personnel and material resources. These resources are then used to operate the project -- discussed in this report as organizational costs. Typically, project staff designed and operated activities which required training and the development of products -- discussed in this report as training and product development costs.

Staff Development Cooperatives

A major purpose for funding staff developemnt cooperatives was to show that (1) it was possible for universities, state departments and local education agencies to cooperatively develop priorities, define criteria, and develop operational procedures for teacher education programs; and (2) educational networks were a viable approach for improving teacher education practices. Shared governance was implemented in decisions about allocations of funds. The following table shows the cooperatives funded and the amounts granted each year.

Table 1

Funded Staff Development Cooperatives
1971-74

	1971-1972	1972-1973	1973-1974	Total
Vermont	113,494	76,284	10,217	199,995
Rhode Island	92,034	43,396	14,997	150,427
Maine	38,838	54,542	7,000	100,380
Connecticut	62,986	53,262	45,752	162,000
Interstate (MA)	50,057	52,486	45,957	148,500
New Hampshire		9,453	20,047	29,500
	357,409	289,423	143,970	790,802

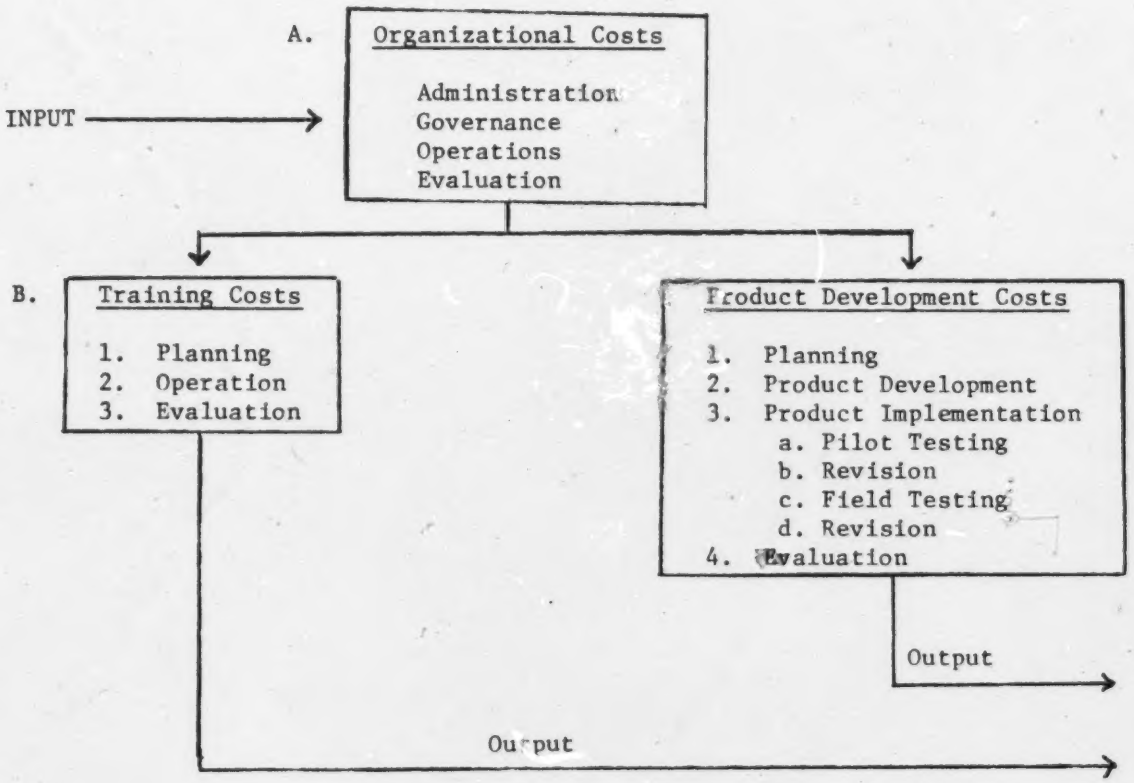
The data in Table 1 show that a total of $790,802.00 was allocated to the six SDC's. Vermont received 25% of the total, Rhode Island, Connecticut, and Interstate (MA) received 19%, 20%, and 19% respectively. Maine received 13% and New Hampshire received 4%. Further, the total amount of dollars allocated through NEPTE decreased each year. All project directors were told by NEPTE that FY 73 was the last year that NEPTE funds were available. The dollar amounts in Table 1, 1973-1974, represent carry-over funds or previously obligated funds. The expectation of NEPTE was that all SDC's would be able to use the NEPTE funds to demonstrate the value of their activities and as a result generate revenues from other sources. Two SDC's, Connecticut and New Hampshire, were able to generate enough interest in member institutions to insure budget allocations from member institutions once NEPTE funds terminated and, in fact, were able to add new members on a fee basis. The Interstate (MA) SDC was absorbed by the University of Massachusetts and became part of its degree and certificate programs. The local school district teacher center portions of the Vermont SDC are still

operating in the respective school districts and a central committee exists on an ad hoc (meet when needed) basis. The Rhode Island SDC (now Southeastern New England SDC) exists on paper, but has no regular source of funds. The Maine SDC no longer exists in any formal sense. The ability of an SDC to develop an independent financial base (fees from member institutions) does not appear to be related to the total amount of money invested by NEPTE. Other factors more directly related to SDC continuation have been discussed in The 1974 NEPTE Annual Report. These factors are as follows: (1) clearly stated specific goals and objectives; (2) establishment of a dialogue between public school people and college and university people, (3) development of successful linkage mechanisms, (4) flexible shared decision making procedures; (5) effective communications, which emphasize informal, personal communication, at least at the operational level, (7) governance procedures based on equity rather than numerical parity, and (8) development of a tangible product or process.

Project Costs by Categories of Activity

The Input-Output Cost Analysis Model presented in Diagram One is used in this report to analyze the six Staff Development Cooperatives. Basically, the model enables one to divide a project sequence into two phases, (2) Organizational Costs and (b) Training and Product Development Costs. The following diagram shows some of the types of costs associated with each of the two phases of the project cycle.

Diagram Two
Developmental Costs Associated with Project Operations



Inputs in the above diagram include dollars, people, and materials. The dollars available as inputs are allocated by projects to two types of activities. Some of the dollars are allocated to categories such as administration, governance, operations and evaluation. These costs, collectively, can be thought of as Organizational Costs. Other dollars are allocated to Training and Product Development. The major distinction is that training and product development allocations primarily reflect monies expended by or to project members for training activities or for product development activities.

In the case of SDE's, training costs can be divided into training activities conducted by individual cooperative members and general training activities conducted by the cooperative central administration. Product

development costs, in most cases, were reported by the SDC's as part of the training costs. Consequently, it is difficult to clearly identify costs directly tied to product development. The following tables represent the expenditures of the six SDC's, which are grouped under (a) Organizational Costs, and (b) Training and Product Development Costs.

Table 2 depicts the Organizational Costs connected with the central administration and operations of the respective cooperatives. Some of the categories are slightly inflated since it was impossible, given the accounting procedures employed by some projects, to accurately subdivide costs associated solely with central office operations from costs associated with member institution activities. No clear overall pattern emerges. Approximately 46% ($362,809.00) of the total project funds were spent by the Central administration. The actual percentages ranged from a high of 58.6% (Connecticut) to a low of 25.1% (Vermont). If one looks at the average percentage of the two SDC's who are still very active and the two SDC's that are inactive or marginally active there is little difference 51.3% and 48.4% respectively. This category does not appear to be a significant variable.

A. Specific Organizational Costs

Salaries - This cost category was the largest organizational cost for all projects. The figures ranged from a high of 36.5% (RI) to a low of 21.3% (VT). Actual costs are less descriptive than the percentages since total grants varied considerably. Two SDC's, Rhode Island and Interstate, used co-directors. Secretarial costs are included in all SDC's. The Connecticut SDC is unusual in that salary costs increased dramatically each year ($3,034, $12,122, $30,596). This was the result of a change in method of operation. In FY72, the Connecticut SDC subcontracted its four major projects to other institutions. In FY73 only two projects were sub-contracted; none were sub-contracted in FY74. In the new pattern with some income coming

Table Two

Expenditures of Staff Development Cooperatives 1971-1974
In Terms of Organizational Costs (Central Administration And Operations)

Project	Salaries	%	Overhead and Fringe	%	Travel	%	Expendable Supplies	%	Commu-nications	%	Consultant & Contract Services	%	Conference Fees
VT-SDC	42,547	21.3			2,455	1.2	6		625	.3	3,077	1.5	1,493
RI-SDC	54,889	36.5	17,081	11.4	2,655	1.8	3,976	2.6	1,590	1.0	2,945	2.0	
ME-SDE	30,190	30.0	420	.4	235	.2	1,566	1.6	906	.9	3,685	3.7	1,000
CT-SDC	45,752	28.2	17,130	10.6	4,132	2.6	1,866	1.2	2,969	1.8	21,449	13.2	293
NH-SDC	6,482	22.0	128	.4	1,621	5.5			637	2.2	1,229	4.2	2,696
INTER-SDC (MA)	48,896	33.0	1,276	.9	4,805	3.2	7,396	5.0	5,462	3.7	2,000	1.3	873
TOTALS	228,756		36,035		15,903		14,810		12,189		34,385		6,355
AVERAGE %		28.9		4.6		2.0		1.9		1.5		4.3	

Table Two

Expenditures of Staff Development Cooperatives 1971-1974
In Terms of Organizational Costs (Central Administration And Operations)

erhead nd inge	%	Travel	%	Expendable Supplies	%	Commu- nications	%	Consultant & Contract Services	%	Conference Fees	%	Evalua- tion	%	Dissem- ination	%	Total
		2,455	1.2	6		625	.3	3,077	1.5	1,493	17					50,203 (25.1%)
7,081	11.4	2,655	1.8	3,976	2.6	1,590	1.0	2,945	2.0			2,240	1.4	864	.5	86,240 (57.3%)
420	.4	235	.2	1,566	1.6	906	.9	3,685	3.7	1,000	1.0			1,756	1.7	39,758 (39.6%)
7,130	10.6	4,132	2.6	1,866	1.2	2,969	1.8	21,449	13.2	293	.3	173	.1	1,149	.7	94,913 (58.6%)
128	.4	1,621	5.5			637	2.2	1,229	4.2	2,696	9.1			194	.7	12,987 (44.0%)
1,276	.9	4,805	3.2	7,396	5.0	5,462	3.7	2,000	1.3	873	.7	7,300	4.9	700	.5	78,987 (53.0%)
36,035	4.6	15,903	2.0	14,810	1.9	12,189	1.5	34,385	4.3	6,355	.8	9,713	1.2	4,663	.6	362,809 (45.9%)
														GRAND TOTAL % of TOTAL FUNDS		362,809 (45.9%)

from other sources. Staff were added directly to the SDC causing salary costs to increase. In effect, this SDC changed from a sub-contracting to a service agency. Generally, NEPTE funds paid the full secretarial costs and a portion of the coordinators' positions. All SDC's except Maine and Rhode Island used rather large amounts of their carry-over funds to pay FY74 salary costs.

Overhead and Fringe - A clear pattern emerged here. The respective SDC's either charged a standard (for their institution) percentage, or chose to assume the costs as part of the members' contribution to the project. The average overhead and fringe cost was 4.6%. However, Vermont had no overhead and fringe cost. Maine, New Hampshire, Interstate (MA) charged .4% and .9% respectively. Two SDC's Rhode Island and Connecticut, charged 11.4% and 10.6% respectively.

No relationship exists between overhead and fringe costs and project success. It should be noted that the costs ($17,130) of the Connecticut SDC operation were directly associated with SDC operations. The costs ($17,081) of the Rhode Island SDC reverted to the budget and accounting department of Rhode Island College and may or may not have been applied specifically to SDC operations. Some of the low cost may reflect the firm NEPTE policy to keep overhead and fringe as low as possible.

Travel - The average cost for travel was 2%. There was relatively little difference between SDC's with the exception of the Maine SDC. This particular category is difficult to accurately assess since some SDC's did not differentiate between travel costs for central personnel and travel costs for member institution personnel. The figures ranged from .2% (232) for Maine and a high of 5.5% (1,621) for New Hampshire.

Expendable Supplies - The average figure for all projects was 1.9%, ranging from $6 (% negligible) to $7,396 (51%). The $7,396 figure for the Interstate SDC includes the costs associated with the publication of a newsletter. The six dollar figure is low since expendable supplies were incorporated into the grants awarded to member institutions. It does show that the philosophy of the project was to keep the central office expenses to a bare minimum. In effect, monies

given to member institutions did not include expendable supplies. Apparently the larger amount reflects a) a strong centralized operation and b) a greater focus on centrally produced materials. The $3,976 figure for Rhode Island also reflects the need for more materials associated with centrally produced product. Clearly as the importance of central operations increases, the cost for supplies is greater.

Communications - The average figure was 1.5%. The cost ranged from .3% (VT-$625) to 3.7% (Interstate (MA)-$5,462). Included in this category are costs for postage, telephone, equipment rental, computer time, and miscellaneous office costs. Vermont and New Hampshire did not itemize their costs. Rhode Island and Maine included only telephone and postage. Connecticut was primarily telephone and postage, but included $108 in other categories. The Interstate (MA) costs ($5,462) includes $581 for equipment rental, $494 for computer time, $850 for miscellaneous and other and $700 for utilities. The actual cost for telephone and postage was $2,837 (1.2%) which is very similar to the percentages of the other five SDC's in this category.

Consultant and Contract Services - The average figure for this category was 4.3%, ranging from a low of 1.5% (VT) to a high of 13.2% (CT). Excluding Connecticut, the actual costs ranged from $1,229 (NH) to $3,685 (Maine). The one exception was the Connecticut SDC which spent $21,449 (13.2%). The reason for the high cost here was that the central administration, in the initial two years, served as a "contracting" agency. In the first two years of operation, specific projects were funded by the SDC. The consultant costs were contracted by SDC and include services other than a straight daily rate for consultant visits. This cost figure ($21449) includes product development activities as well as training. It is not possible to differentiate between the training and product development activities associated with the contracted services. It is clear that this approach, contracts for specific services, was different from the approach used by the other

five SDC's. The utilization of such an approach may or may not be related to the successful continuation of the SDC after the termination of NEPTE funds.

Conference Fees - This category reflects costs associated with conferences arranged and run by the central agency for the cooperative members. It is not entirely reflective of the conference activity in any given SDC since some SDC's ran conferences through member institution grants which were open to all members in the given consortium. The average figure was .8% and ranged from a low of zero (RI) to a high of 9.1% (NH). Rhode Island utilized a series of workshops held by member institutions, so all conference costs are reflected in the member institution costs table. New Hampshire, as indicated in its program proposals, held two major central conferences on topics of interest to all member institutions. In effect, some SDC's chose to set aside monies for use by the central administration in planning and conducting a cooperative conference. Other SDC's chose to pass on funds to member institutions so that they could plan and conduct workshops to meet their particular needs.

Evaluation - Three of the six SDC's included a separate figure for evaluation -- Rhode Island, Connecticut, and Interstate (MA). It is clear that both Rhode Island ($2,240) and Interstate (MA) ($7,300) made a strong commitment to evaluation. It is not necessarily true that no evaluations were conducted in the other projects. In fact, Maine did submit evaluation data in their annual reports. New Hampshire and Vermont also submitted evaluation data in the periodic reports and annual reports. The difference between the approach utilized by Rhode Island and Interstate (MA) and the other SDC's was that these two SDC's specifically allocated funds for an evaluator to conduct a formal study of the SDC's operation while the other four SDC's, through the cooperative directors or cooperative member institution coordinators, conducted their own evaluations as a formal part of their general administrative operations.

Dissemination - This is a key category as far as the determination of product development costs is concerned. Yet, the average figure is .6%. The costs ranged from .5% to 1.7% with Vermont listing no such category. Only Connecticut and New Hampshire listed specific products (publications). Clearly, Interstate (MA) through its magazine In Touch allocated dollars to a product. Rhode Island also allocated dollars for an internal newsletter and for duplicating modules which is reflected in module writing costs. In essence, dissemination, which includes some product development costs, was an activity left to the member institutions -- at least given the categories in this analysis. Two points should be made here. First, dissemination was not seen as a separate cost category deserving separate allocations. Second, the two projects (CT and NH) which continued without NEPTE funds both listed specific products under dissemination costs. Other SDC's which listed dissemination costs listed them under general categories such as public relations or with no explanation.

Summary of Organization Costs

1. The average organizational cost for all SDC's was 45.9%. The costs ranged from a low of 25.1% (VT) to a high of 58.6% (CT).
2. The largest category of expenses was salaries which averaged 28.9% and ranged from 21.3% (VT) to 36.5% (RI).
3. Overhead and fringe costs were generally low (less than .9%) except for Rhode Island and Connecticut which were 11.4% and 10.6% respectively.
4. Travel averaged 2% and was quite uniform with the exception of New Hampshire (5.5%) which is still reasonably small.
5. Expendable supplies varied considerably. Vermont and New Hampshire submitted no costs while Interstate submitted 5%. This category is probably quite inaccurate since Vermont and New Hampshire let separate member institutions pick up this cost in their inservice or workshop grants. Interstate absorbed all costs for member institutions.

6. Consultant and contractual services were relatively constant ranging from 1.3% (Interstate-MA) to 4.2% (NH) with one notable exception, Connecticut (13.2%). Connecticut shows this high figure because the SDC acted as a sub-granting agency for the first two years. The contracted servcies reflect other than just on-site consultant days.
7. Evaluation costs were handled in two major ways:
   a) SDC personnel, in which case, the costs were negligible since they were covered by the salary costs or
   b) outside evaluators hired to do a formal project evaluation.
8. Conference costs is an inaccurate category since some projects chose to run central conferences (VT, ME, NH, and Interstate-MA) while others passed this cost on to member institutions (RI and CT).
9. Dissemination was a minor item in all projects. New Hampshire and Connecticut tied dissemination cost to specific products, the other SDC's listed no cost (VT) or a general figure. Two comments may be justified:
   a) this category was under-budgeted, and
   b) ssome of these costs are included in member institution costs.
10. <u>There is no unique pattern of costs related to successful SDC operation, i.e., those SDC's which continued without NEPTE funds</u>.
11. It is clear that organizational costs were generally low (45.9%). Consequently, considerable funds were available for member institutions.

B. <u>Specific Training/Product Development Costs</u>

Cost categories within these activities reflect the uses to which monies, distributed to members institutions of the respective SDC's, were put. Table 3 depicts the expenditures by member institutions in the respective SDC's. The total figure available to member institutions was $427,993 or 54.1% of the total granted to the SDC's. The amount of funds available to member institutions ranged from 42.7% (RI) to 74.9% (NH). The following categories are general and were selected to

reflect the major types of activities supported by the respective SDC's.

Workshop Stipends - Three SDC's paid workshop stipends to personnel from participating member institutions -- Rhode Island (27.4%), Maine (30.3%), and Interstate-MA (18.3%). Rhode Island also paid writing stipends to member institution personnel who completed modules (3.8%). Clearly, the respective SDC's divided in their training approach. Maine, Rhode Island and Interstate-MA chose to design summer workshops (which ranged from 2-6 weeks) and paid personnel to attend. Vermont, Connecticut and New Hampshire decided not to expend funds for such an activity. It is interesting to note that the two SDC's least active after the termination of NEPTE funds chose this approach while the two most active after the termination of NEPTE funds did not.

Consultants - Expenditures in this category were negligible (less than .9%) with two exceptions, Maine 4.8% and Interstate (1.7%). Maine and Interstate both ran extensive summer workshops causing consulting costs to be high. Some of the consultant costs reflected in the Organizational Costs (Table 2) undoubtedly could have been added here. Lastly, there are probably consultant costs buried in the sub-grants category that could be reflected here. What this category does show is that two SDC's did make extensive use of consultants for summer workshops held by member institutions. Another cost is also included in this category -- expansion costs. Expansion costs are monies given to a new member institution entering after the initial group was formed. The Maine SDC allocated $1,060 to a new local school and Interstate allocated $1,368 to a new local school district.

Travel - This category reflects travel costs associated with member institution personnel as opposed to central office personnel travel. Again Maine and Interstate-MA reflect costs at 5.1% and 6.7% respectively. No other SDC's had costs in this category. However, some of this cost is included in the travel costs noted in the Organizational Costs Table and some of the costs are also included in the sub-grants.

Table Three

Expenditures of Staff Development Cooperativ
in Terms of Training/Product Developmen
(Monies Distributed to Member Institu

Project	Workshop Stipends	%	Consultants	%	Travel	%	Keepable Materials	
VT-SDC *								
RI-SDC	47,005	31.2	650	.4			4,332	2
ME-SDC	30,440	30.3	5,828	5.8	5,148	5.1	17,694	1
CT-SDC			412	.3			4,730	2
NH SDC							3,363	1
INT-SDC (MA)	27,976	18.8	3,918	2.6	9,945	6.7	7,553	5
TOTALS	105,421	13.3	10,808	1.4	15,093	1.9	37,672	4

* Note: 90% or $134,812 went for member institution salari
institutions

Table Three

s of Staff Development Cooperatives 1971-1974
ns of Training/Product Development Costs
les Distributed to Member Institutions)

vel	%	Keepable Materials	%	Sub-Grants to Members	%	Total	%
				*149,792	75.0	149,792	74.9
		4,332	2.9	12,200	8.1	64,187	42.7
,148	5.1	17,694	17.6	1,512	1.5	60,662	60.4
		4,730	2.9	61,945	38.2	67,087	41.4
		3,363	11.4	13,150	44.6	16,513	56.0
,945	6.7	7,553	5.1	20,400	13.7	69,792	47.0
,093	1.9	37,672	4.8	258,999	32.6	427,993	54.1

nt for member institution salaries and 10% or 14,980 paid for all other costs to member

Keepable Materials - An attempt was made here to differentiate between consumable (expendable) supplies and reusable (keepable) materials. All projects had costs in this category. The exact amount is not known for Vermont but was probably close to the average costs of 4.8%. The costs ranged from 2.9% (RI and CT) to 17.6% (ME). Two clear sub-divisions are evident in this category. Maine and New Hampshire chose to expend considerable member institution resources on materials (17.6% and 11.4% respectively). The other four SDC's expended between three and six percent on materials. No relationship exists between allocation of funds for keepable materials and project continuation.

Sub-Grants to Members - This category is rather diverse. It accounts for 32.6% of the member institution funds and ranges from 1.5% (ME) to 75% (VT).

Vermont chose to allocate practically all of their funds (74.9%) to the member institutions. The money awarded to the member school districts (3 districts) and institutions of higher education (4 IHE's) was primarily used for salaries (67.4%). The remainder of the 74.9% (7.5%) was used to cover all other costs. The idea of the SDC was to test a series of inservice training activities in each of the three school districts and to develop an inservice model for permanent teachers as well as beginning (preservice) teachers in the participating districts. Personnel necessary for the operation of the in-service program were supported with the NEPTE funds.

Rhode Island used monies in this category to pay the salaries of coordinators in the various centers (8.1%). The idea of the RISDC was to establish a series of Centers composed of one or more local schools and a college. Each center was to develop modules which could be used in the preparation program for preservice teachers.

Maine granted a portion of its unexpended funds (FY74) to an existing Career Opportunities Program (COP) so that they could continue some of the work of the Maine SDC which failed to continue without NEPTE funds.

Connecticut sub-granted 38.2% of its funds to four projects. The focus was initially on Urban Education with a minor emphasis on Bilingual Education approaches. Gradually, the emphasis on bilingual education program development became paramount, and the lever by which the SDC was able to become self-sustaining. The funds in this category paid for all costs associated with the Urban Education projects. As noted earlier, the sub-granting mode was dropped as the bilingual thrust grew. Bilingual development costs are largely reflected in Organizational Costs (Salaries, Consultant and Dissemination -- a part of $21,449 (13.2% noted in Table Two).

New Hampshire allocated 44.6% of its resources to the four member local school districts. The process used was to allow each member shcool district to submit specific inservice proposals to the SDC Steering Committee. Grants not to exceed $1,500/member/year were awarded. Requests not funded but common to all districts were considered and selected topics were supported by the central administration through general conferences held each summer (see Conference Fees, Table 2).

Interstate allocated 13.7% of its funds to cover salaries for master teachers and resource personnel located in the four member local schools participating in the SDC. The intent of the SDC was to implement an integrated-day-approach to elementary education through a series of summer workshops followed up by site visits and supported on-site by specially trained master teachers and resource personnel from the university.

Summary of Training/Product Development Costs

1. Rhode Island, Maine and Interstate (MA) chose to operate 2-6 week summer training activities and paid stipends to participants -- RI (27.4%), Maine (30.3%), Interstate -MA (18.8%).
2. Vermont chose to make sub-grants to member institutions (74.9% of their total funds). Approximately 90% of these funds paid salaries and 10% paid other costs.
3. Connecticut made special project grants to four projects, but gradually changed over to a strong central operation. Consequently, the budget to member institutions decreased and the central operation and budget increased.
4. In addition, Interstate (MA) allocated 13.7% for salaries of support personnel hired by the participating member schools.
5. New Hampshire awarded limited ($1,500) inservice grants to member school districts (44.6% of the total). Also, the central administration conducted general workshops on topics of general interest to all members.
6. The consultant and travel categories are contaminated since some of these costs appear in other categories. It is clear that Maine and Interstate had the largest costs in these categories.
7. Maine and New Hampshire clearly utilized NEPTE funds to purchase "keepable" materials.

CONCLUSIONS

In the following table, the six SDC's are grouped according to their ability to continue without NEPTE funds. Three groups are identified. Connecticut and New Hampshire are still functioning strongly now. Interstate and Vermont are functioning as part of another institution (Interstate - now a part of the University of Massachusetts) or operating parts of the original SDC model (at the University of Vermont, Centers in local school districts). Maine and Rhode Island either do not exist as an identifiable organization

(Maine) or exist only as an informal ad hoc group (Rhode Island).

Table 4 groups all SDC operations into six cost categories. The first category includes central administration salaries. The fourth category is daily operations and includes overhead and fringe, phone, postage, consumable supplies, office equipment rental and miscellaneous expenses. The third category includes all project travel, consultant fees and contract services. Some of these costs might be termed training costs while others might be termed product development costs. It is impossible to clearly allocate between the two. The second category contains personnel costs paid to member institutions and includes workshop stipends, substitute (replacement) pay, conference fees and member institution coordinator salaries. It is a general training category. The fifth category contains product development costs and includes specific costs designated dissemination activities and also keepable materials. The sixth category is other and includes evaluation, expansion and other non-assigned items.

The following observations follow after an analysis of the project costs allocations:

1. There is no significant and startling relationship between the ability of an SDC to continue without NEPTE funds and the pattern of dollar allocations made.
2. Operating costs for central office operation was, with the exception of Rhode Island, below 30%.
3. Apparently the ability of an SDC to secure independent funding does not depend upon the development of a product if product is defined as an exportable concrete set of materials. Two SDC's produced such a product (bilingual materials - CT, and PBTE modules - RI). Only Connecticut was able to use their product as a base for member subscription.

Table Four

General Costs Associated with SDC's
Categories (Combined Organizational & Memb

Project	Personnel Central	%	Daily Operations	%		Consultant & Contract Plus Travel	%	Pe Tr Co Fe
CT-SDC	45,752	28.2	24,110	14.9		23,436	14.7	5
NH-SDC	6,482	22.0	765	2.6		2,850	9.1	1
Sub-total	52,234	27.3	24,875	13.0		26,286	13.7	7
INTER-SDC MA	48,896	33.0	14,134	9.5		19,300	12.9	4
VT-SDC	42,547	21.3	8,121	4.1		13,022	6.5	13
Sub-total	91,443	26.2	22,255	6.4		32,322	9.3	18
RI--SDC	54,889	36.5	22,647	15.1		6,250	4.2	5
ME-SDC	30,190	30.0	2,892	2.9		13,836	13.8	3
Sub-total	85,079	33.9	25,539	10.2		20,086	8.0	8
TOTALS	228,756	28.9	72,669	9.2		78,694	10.0	34

Table Four

eral Costs Associated with SDC's by Selected
(Combined Organizational & Member Cost Categories)

Consultant & Contract Plus Travel	%	Personnel Training & Conference Fees	%	Product Development Acquisition	%	Other	%	TOTAL
23,436	14.7	56,044	34.6	12,073	7.5	505		162,000
2,850	9.1	14,531	49.3	4,872	16.5			29,500
26,286	13.7	70,575	36.8	16,945	8.8	505		191,500
19,300	12.9	49,249	33.2	8,253	5.6	8,668	5.8	148,500
13,022	6.5	136,305	68.2					199,995
32,322	9.3	185,554	53.2	8,253	2.4	8,668	2.5	348,495
6,250	4.2	53,505	35.6	10,896	7.2	2,240	1.4	150,427
13,836	13.8	31,440	31.3	19,450		2,572	2.6	100,380
20,086	8.0	84,945	33.9	30,346	12.1	4,812	1.9	250,807
78,694	10.0	341,074	43.1	55,544	7.0	14,065	1.8	790,802

4. If product is defined more broadly, i.e., the ability of an SDC to deliver training resulting in a cadre of trained personnel (in member institutions who can then more effectively address their institutional needs) New Hampshire and Vermont should be considered successful.
5. A strong central operation appears to be required to produce a material product (CT and RI), but does not insure that the product will be salable.
6. No SDC included product development as a separate program activity. This may be partly the result of varying definitions on the part of the SDC's, or the hope that products would evolve through training activities, or the general disinclination of practitioners to produce products.
7. Training activities followed various patterns. However, training per se did not prove to insure the continuation of an SDC or even the continuation of parts of an SDC in other institutions.
   a) Workshop training and stipends tied to systematic on-site support personnel and central office follow-up (Interstate) did result in SDC absorption.
   b) Targeted grants to member institutions for training designed to meet specific local needs (Vermont, New Hampshire) did result in SDC continuation or the continuation of SDC local centers after NEPTE funding terminated.

Essentially, success of an SDC was tied to the ability of a given SDC to accurately assess the real need(s) of its member institutions and to then allocate the total resources to meet such need(s). The pattern of dollar allocations is secondary. A general formula for SDC operation does not emerge. The information here suggests that developing one would probably be a mistake but one can identify general categories of costs contracting. Flexibility is clearly the key. Connecticut was able to completely change its structure

from a sub-contracting agency directed at urban education to a service and development operation keyed to bilingual education with a complete fiscal allocation overhaul. A product provided a key level but it evolved from needs expressed by the members of the cooperative. It may be that Connecticut is the only SDC whose "control" was with an external group used to relating to, and "capturing" resources from other institutions. Also, the structure enabled the organization to allocate services to support the installation of the product. Rhode Island started with a targeted product -- PBTE modules -- but was unable to adjust to a newly evolved need -- inservice teacher education programs. Rhode Island was the only SDC that tied its personnel salaries to support time of already existing staff without adding at least the equivalent, or new staff, or whatever. Rhode Island's product may well have been positive maintenance. New Hampshire provided training through targeted in-service grants, but also was able to provide central training on common needs as they were identified by members. Somehow an SDC must initially identify a real need (target) to help focus its activities. Yet, once begun, a given structure of form of operations must not lock in the operations of the SDC. A modified structure or a new target may evolve. <u>The SDC must be able to change its emphasis perhaps even its direction if it is to survive</u>.

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